VZCZCXYZ0000 OO RUEHWEB

DE RUEHOT #1512 3382123
ZNY CCCCC ZZH
O 032123Z DEC 08
FM AMEMBASSY OTTAWA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 8807
INFO RUCNCAN/ALL CANADIAN POSTS COLLECTIVE PRIORITY

CONFIDENTIALOTTAWA 001512

STPDTS

E.O. 12958: DECL: 12/03/2018

TAGS: PGOV CA

SUBJECT: PM TO ADDRESS THE NATION TONIGHT

REF: A. OTTAWA 1507 <u>¶</u>B. OTTAWA 1511

Classified By: PolMinCouns Scott Bellard, reason 1.4 (d)

- 11. (U) Prime Minister Stephen Harper will address the nation at 7 p.m. EST on December 3, with speculation including a possible announcement of a new federal election in late January, prorogation of Parliament until it returns o/a January 26 to deal with the 2009 budget bill, or a conciliatory address that would perhaps feature an appeal for national unity in the face of an uncertain global economy and possible new stimulus measures domestically. It appears that he will not have had a chance to call on Governor General Michaelle Jean before this address, however, and she ultimately holds the theoretical power of decision over the first two options (ref b).
- 12. (SBU) In another lively -- but slightly less heated -- Question Period in the House of Commons, Conservative MPs sidestepped direct questions about whether they would seek prorogation of Parliament and/or face a confidence vote on December 8. The closest they came to indicating possible intentions was when PM Harper declaimed that, if the Liberals remained committed to a coalition with "the separatists," they should "take it to the Canadian people and get a mandate for it -- or say that it was a mistake." Heritage Minister James Moore insisted energetically that the Conservatives would "never" accept a "separatist coalition."
- 13. (C) Comment: Prorogation is probably the easiest path to pursue, but would change none of the fundamental tensions and rivalries in the Commons -- only defer them. PM Harper's repeated remarks about "taking it to the Canadian people," however, may suggest that he intends instead to seek the more dramatic step of a new election, despite the risks to his own political future if the Conservatives fare badly. This strategy also depends on the acquiescence of the Governor General, who reportedly called Queen Elizabeth II on December 2 to update her and possibly to seek advice. More and more Canadians now appear to support such an election, albeit with some reluctance and much irritation, especially when faced with the alternative of a coalition under Stephane Dion as Prime Minister, wholly dependent on the support of the Bloc Quebecois. Harper's political instincts may delight in the prospect of the Liberal Party having to recruit its grassroots workers to go out and stump -- over the holidays, no less -- yet again for a discredited party leader, who led the Liberals so recently to a historically bad showing, as well as to have to explain why a controversial coalition would be good for the party -- or for Canada. PM Harper may indeed see an election as a priceless strategic opportunity to deliver a body blow to the Liberal Party, the Conservatives' only real rival for domination of the future political landscape.

Visit Canada,s Economy and Environment Forum at http://www.intelink.gov/communities/state/can ada